

An itemized "into-plane" fee for pumping aviation fuel into aircraft is deductible from gross receipts if it is part of a delivery charge that is agreed to separate and apart from the selling price of the fuel. See 86 Ill. Adm. Code 130.415. (This is a GIL).

July 13, 1999

Dear Mr. Xxxxx:

This letter is in response to your letter dated May 10, 1999. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120(b) and (c), enclosed.

In your letter, you have stated and made inquiry as follows:

COMPANY, an STATE based air carrier client of mine, is purchasing jet fuel from a fuel company called BUSINESS. On each invoice for fuel delivery is a separate line item for the delivery of the jet fuel to the aircraft called 'into-plane'. This is the service of transportation and delivery of each gallon into the wing of the aircraft. This service is performed by a separate company and is typically billed to the fuel company and in turn billed by the fuel company to the airline as a convenience. Typically the fuel company negotiates a preferred 'into-plane' rate to pass along to their airline clients, but sometimes the airlines pay the 'into-plane' agency directly.

Under Illinois Tax Code; Regulations Section 130.145, 'transportation and Delivery Charges', delivery charges billed separately and not part of the selling price..' would be exempt from Illinois State Retailers Occupation Tax. Please confirm if our 'into-plane' delivery charges qualify for exemption under this code.

I may be reached at #### if you have any questions, or you may feel free to fax me at ####. Thank you for your consideration.

Generally, if the "into-plane" fee is actually part of the charges for delivering the fuel to the aircraft, it is considered part of the selling price of the fuel and therefore taxable, unless there is documentation that the seller and buyer have agreed upon this charge separately from the selling price of the fuel. See the enclosed copy of 86 Ill. Adm. Code 130.415. Documentation to substantiate such an agreement would consist of either a separate contract or documentation that demonstrates that the purchaser had the option of taking delivery of the property at the seller's location for the agreed purchase price, or having delivery made by the seller for the agreed purchase price, plus an ascertainable or ascertained delivery charge. Separate itemization on an invoice is insufficient to show a separate agreement.

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I hope this information is helpful. The Department of Revenue maintains a Web site, which can be accessed at [www.revenue.state.il.us](http://www.revenue.state.il.us). If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Very truly yours,

Gina Roccaforte  
Associate Counsel

GR:msk

Enc.